

BILL # HB 2141

TITLE: county jail education; funding

SPONSOR: Anderson

STATUS: As amended by House ED

PREPARED BY: Nick Klingerman

FISCAL ANALYSIS

Description

HB 2141 pertains to county jail education programs for incarcerated individuals who are under 18 years of age or who have a disability and are under 21 years of age. These programs currently receive funding through the Department of Education.

HB 2121 would increase "base amount" funding for each stand-alone program from \$14,400 to \$20,000 in FY 2007 and increase "variable amount" funding per student in each stand alone program from \$10.80 to \$15.80. In addition, HB 2141 funds special education students at 100% as opposed to 72% of the current formula amount prescribed in statute and increases the Capital Outlay amount for each special education student from \$72 to \$100.

Estimated Impact

The bill is estimated to increase the General Fund cost of the Arizona Department of Education school funding by \$195,000 in FY 2007. This amount consists of the following components:

<u>Component of County Jail Education Funding</u>	<u>Estimated Impact</u>
Base Increase from \$14,400 to \$20,000	\$ 33,600
Fund special education formula at 100%	82,200
Increase Capital Outlay for special education students	1,400
Increase variable cost per student from \$10.80 to \$15.80	<u>77,800</u>
Total	\$195,000

The Department of Education does not have a cost estimate for this proposal.

Analysis

HB 2141 increases the amount of county equalization assistance monies that would be used for expenditures on county jail education programs under A.R.S. § 15-913.01. County equalization assistance monies are generated through a local property tax rate prescribed in statute and are used to offset the General Fund cost of equalization assistance to schools. Increasing the amount of county equalization assistance monies allocated to county jail education programs would decrease the amount of county equalization assistance monies available to fund Basic State Aid and, therefore, would require an equivalent General Fund backfill, resulting in a new state cost.

Currently 6 counties operate county jail education programs. The estimated fiscal impact of \$195,000 assumes that 6 counties would continue to operate county jail education programs and that the number of instructional hours would remain constant from FY 2006 to FY 2007. The cost of the program was also virtually unchanged from FY 2005 to FY 2006. Data used in determining the estimated fiscal impact was obtained from the Arizona Department of Education.

Local Government Impact

A local government savings of \$(195,000) in FY 2007 would be anticipated under the assumption that new monies provided by the bill would free up county monies that otherwise would have to be spent on these programs.